

5th February 1936]

(d) whether there were representations from the several villages in Sompeta taluk praying for location of a Deputy Tahsildar's office at Sompeta; and

(e) what orders were passed by the Government thereon?

A.—(a) In November last the Government tentatively approved certain proposals for the reconstitution into a single district of the portions of the Ganjam and the Vizagapatam districts that would remain in this Presidency after the formation of the Orissa Province, and asked the Collectors of the two districts to publish these proposals for criticisms in their respective district gazettes and submit a report through the Board of Revenue after the 31st December 1935 on any objections received. The proposals contemplate the formation of a new taluk of Ichchapur with a Tahsildar and a Sarishtadar-Magistrate at Ichchapur. The reports of the Collector and the Board of Revenue have been received and the matter is under consideration.

(b) & (c) The Government considered the arrangement for a Taluk office at Ichchapur proposed by the Collector, Ganjam, to be the best.

(d) Certain representations to this effect have been received.

(e) The matter is under consideration.

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—THE MADRAS DEBT CONCILIATION BILL (BILL No. 9 OF 1934).

* The Hon. the PRESIDENT:—"The House will proceed to consider item No. 1 on the agenda before them—the Debt Conciliation Bill of Mr. Ramalingam Chettiyar."

Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—"Sir, I beg to move that the Madras Debt Conciliation Bill (Bill No. 9 of 1934) be further considered."

The motion was duly seconded.

The motion was put and carried.

Preamble.

* The Hon. Sir K. V. REDDI NAYUDU:—"Sir, I wish to move a few amendments which are found necessary in the Bill as considered by the Council. I beg to move the following amendment:—

'In lines 2 and 3 of the second paragraph of the preamble, omit the words, figures, brackets and letter "required by sub-section (3) of section 80-A of the Government of India Act".'

[5th February 1936]

Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—"I second it."
The amendment was put and carried.

The preamble, as further amended, was put and carried.

Clause 1.

* The Hon. Sir K. V. REDDI NAYUDU:—"Sir, I beg to move—

'(1) *In sub-clause (1) for the figures "193" substitute the figures "1936."*

(2) *In sub-clause (3) for the word "direct" at the end, substitute the word "appoint".*"

Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—"I second it."

The amendment was put and carried.

Clause 1, as further amended, was put and carried.

Clause 2.

* The Hon. Sir K. V. REDDI NAYUDU:—"I move—

'For sub-clause (a), substitute the following:—

"(a) 'landholder' means a person holding land under a Sanad-i-Milkiyat-i-istimrar, a zamindar, shrotriyamdar, jagirdar, or inamdar, a person farming the land revenue under Government, and a holder of any land under ryotwari settlement or in any way subject to the payment of revenue direct to Government."

(2) *In sub-clause (b), omit the words "The expression" at the commencement.*

(3) *In line 2 of sub-clause (c), omit the word "and" and in line 4 of that sub-clause, omit the word "and" before the word "sericulture."*

(4) *In sub-clause (j), for the words "is one for whose debt he holds," substitute the words "means a creditor who holds for his debt".*"

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.

The amendment was put and carried.

Clause 2, as further amended, was put and carried.

Clause 6.

* The Hon. Sir K. V. REDDI NAYUDU:—"I move—

'*In line 1 of sub-clauses (1) and (2), for the word "presented," substitute the word "made".*"

Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—"I second it."

The amendment was put and carried.

Clause 6, as further amended, was put and carried.

5th February 1936]

Clause 6-A.

* The Hon. Sir K. V. REDDI NAYUDU :—" I move—

' Renumber the clause as clause 7 and in line 4 of that clause, for the word "presenting" substitute the word "making". '

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 6-A, as further amended, was put and carried.

Clause 7.

* The Hon. Sir K. V. REDDI NAYUDU :—" I move—

' (1) Renumber the clause as clause 8.

(2) In line 3 of sub-clause (1), for the word, figure and letter "section 6-A," substitute the word and figure "section 7."

(3) In line 1 of sub-clause (3), for the word "filed," substitute the word "made" and in line 2 of the same sub-clause, for the words "on his appearance shall," substitute the words "shall, on his appearance". '

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 7, as further amended, was put and carried.

Clause 7-A.

* The Hon. Sir K. V. REDDI NAYUDU :—" I move—

' Renumber the clause as clause 9. '

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 7-A, as renumbered, was put and carried.

Clause 8.

* The Hon. Sir K. V. REDDI NAYUDU :—" I move—

' Renumber the clause as clause 10. '

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 8, as renumbered, was put and carried.

Clause 9.

* The Hon. Sir K. V. REDDI NAYUDU :—" I move—

' Renumber the clause as clause 11 and in line 3 of sub-clause (1), for the word and figure "section 8," substitute the word and figures "section 10". '

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 9, as further amended, was put and carried.

[5th February 1936]

Clauses 10 and 11.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' Renumber the clauses as clauses 12 and 13 respectively.' "

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.

The amendment was put and carried.

Clauses 10 and 11, as renumbered, were put and carried.

Clause 12.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' (1) Renumber the clause as clause 14 and in line 1 of sub-clause (2), for the words "thus made," substitute the words, figure and brackets "made under sub-section (1)."

(2) In line 3 of sub-clause (4), for the word and figure "section 8," substitute the word and figures "section 10".' "

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.

The amendment was put and carried.

Clause 12, as further amended, was put and carried.

Clause 12-A.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' Renumber the clause as clause 15.' "

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.

The amendment was put and carried.

Clause 12-A, as renumbered, was put and carried.

Clause 12-B.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' Renumber the clause as clause 16 and for the words and figures "the first day of June 1933" at the end, substitute the words "the said date".' "

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.

The amendment was put and carried.

Clause 12-B, as further amended, was put and carried.

Clause 14.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' Renumber the clause as clause 17 and for the word and figures "section 12," substitute the word and figures "section 14".' "

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.

The amendment was put and carried.

Clause 14, as further amended, was put and carried.

5th February 1936]

Clause 15.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

- (1) Renumber the clause as clause 18.
- (2) In line 2 of sub-clause (3), for the word and figures " section 12," substitute the word and figures " section 14 " and in line 11, for the words " assets provided if any in the agreement for the agreed debts," substitute the words " assets, if any, set apart in the agreement for the satisfaction of the agreed debts " " ."

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.
The amendment was put and carried.

Clause 15, as further amended, was put and carried.

Clause 16.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

- (1) Renumber the clause as clause 19.
- (2) In sub-clause (a) (3), for the word and figures " section 12," substitute the word and figures " section 14."
- (3) In sub-clause (a) (4), for the word and figure " section 8," substitute the word and figures " section 10," for the words " under the proviso to that sub-section," substitute the words, figure and brackets " under sub-section (3) of that section," and at the end insert the word " or."
- (4) In sub-clause (b), for the word and figures " section 15," substitute the word and figures " section 18 " " " ."

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.
The amendment was put and carried.

Clause 16, as further amended, was put and carried.

Clause 17.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' Renumber the clause as clause 20 ' ."

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion.
The amendment was put and carried.

Clause 17, as renumbered, was put and carried.

Clause 17-A.

* The Hon. Sir K. V. REDDI NAYUDU:—" I move—

' Renumber the clause as clause 21 and in line 3, for the word and figures " section 12," substitute the word and figures " section 14 " " " ."

[5th February 1936]

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 17-A, as further amended, was put and carried.

Clauses 18 to 22.

* The Hon. Sir K. V. REDDI NAYUDU:—"I move—

- ' (1) Renumber the clauses 18, 19, 20, 21 and 22 as clauses 22, 23, 24, 25 and 26 respectively.
- (2) In clause 25 as so renumbered, for the words "shall be suspended," substitute the words "shall not be proceeded with" ' '."

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clauses 18, 19, 20, 21 and 22 as further amended, were put and carried.

Clause 23.

* The Hon. Sir K. V. REDDI NAYUDU:—"I move—

- ' (1) Renumber the clause as clause 27.
- (2) In line 5 of sub-clause (1), for the words "had continued," substitute the words "were pending."
- (3) In sub-clause (2), for the words and figures "shall be excluded from computation under section 48 of the Code of Civil Procedure or the Limitation Act in all proceedings taken to recover debts in civil courts," substitute the words and figures "shall, in all suits filed or proceedings taken, in civil courts to recover debts, be excluded from computation under section 48 of the Code of Civil Procedure, 1908, or under the Indian Limitation Act, 1908" ' '."

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 23, as further amended, was put and carried.

Clause 24.

* The Hon. Sir K. V. REDDI NAYUDU:—"I move—

- ' Renumber the clause as clause 28 ' '."

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 24, as renumbered, was put and carried.

Clause 25.

* The Hon. Sir K. V. REDDI NAYUDU:—"I move—

- ' (1) Renumber the clause as clause 29, and for the opening paragraph substitute the following, namely:—

5th February 1936] [Sir K. V. Reddi Nayudu]

- (1) *The Local Government may make rules to carry out all or any of the purposes of this Act and not inconsistent therewith.*
- (2) *In particular and without prejudice to the generality of the foregoing power, they shall have power to make rules . . .*
- (2) Omit sub-clause (b) and for sub-clause (a) substitute the following sub-clauses, namely:—
- “(a) with reference to all matters expressly required or allowed by this Act to be prescribed;
- (b) regulating the procedure before a board;”
- (3) In sub-clause (f), for the words and figures “under section 11,” substitute the words and figures “and the production of documents under section 13” and at the end insert the word “and”.
- (4) In sub-clause (g), for the word and figures “section 12,” substitute the word and figures “section 14.”
- (5) Omit sub-clauses (h) and (i).”

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 25, as further amended, was put and carried.

Clause 26.

* The Hon. Sir K. V. REDDI NAYUDU:—“I move—

- (1) Omit sub-clause (1) and renumber sub-clauses (2) and (3) as sub-clauses (3) and (4) respectively of clause 29.
- (2) In sub-clause (3) as so renumbered, after the word “rules” insert the words “made under this Act” and for the words “previous publication,” substitute the words “the rules being made after previous publication.”
- (3) In sub-clause (4) as so renumbered, for the words “where the breach is a continuing one, with further fine which may extend to ten rupees for every day after the first during which the breach has been persisted in,” substitute the words “in case of a continuing breach with fine which may extend to ten rupees for every day during which the breach continue after the first breach”.”

Diwan Bahadur T. A. Ramalingam Chettiyar seconded the motion. The amendment was put and carried.

Clause 26, as further amended, was put and carried.

* Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—“I now 11-45
move, Sir, that this Bill be passed into law. It is now nearly three a.m.
years since I made an application to the Government for sanction to
introduce this Bill. Sir, much water has flown under the bridge since
then. But in spite of it, Sir, on account of the rules of procedure and also

[Mr. T. A. Ramalingam Chettiyar] [5th February 1936]

of the attitude of Government it has not been possible to bring the Bill up to date. Sir, at the time when I gave notice the only Government that had moved for the relief of the agriculturist was the Central Provinces Government and it has passed a Bill on the lines of which I drafted mine for the purpose of avoiding difficulties, as mine was a non-official Bill. Sir, unfortunately our Local Government did not see its way to help me. On the other hand I had to run a sort of obstacle race and had at every turn to fight for some facility or other. Thus there has been a long delay extending over two years. If the attitude of the Government had changed I do not know whether it was due to the fact that the personnel of the Government has changed since then, or whether it was due to the fact that the other Local Governments in India were then moving much faster and they had been introducing legislation; or, it may be, I do not know for certain, due to the pressure from the Government of India itself. Whatever the reason, for over two years no progress could be made and even after the present Law Member took charge he could only meet me by saying that he would have the whole matter examined by a special officer. Sir, it was lucky that the special officer was able to report within a few months and his report strengthened my hands very much indeed. I also have to acknowledge that since the receipt of the report of the special officer the attitude of the Government changed very much in favour of this Bill and they have been giving me facilities which I did not get earlier. At the same time, I should say that the Government after reading the report ought to have seen that the present Bill was not enough. Probably seeing what the other Governments are doing and the requirements of the ryots something further may be done. Sir, in the Select Committee several attempts were made especially by my friends, Mr. Peddi Raju, Mr. Koti Reddi and Mr. Krishnayya Choudari, to improve the Bill on the lines of the Agriculturists' Relief Acts passed in the Punjab and in the United Provinces and now under consideration in Bengal. Sir, I along with the Government had to oppose those amendments not because I was not in sympathy with the objects of the amendments that were proposed, not because I thought they were not required in the circumstances of the country but because those amendments did not come under the scope of the Bill and it was said that if any of those amendments were to be accepted, the sanction of the Governor-General would have to be obtained afresh for the further progress of the Bill. Situated in that position I thought after waiting $2\frac{1}{2}$ years for the progress that was made in the course of this Bill, it was not safe to wait still further and get a fresh sanction from the Governor-General and re-introduce the Bill. So I pressed for its early passage through the Select Committee. If any supplementary Bill or Act is necessary, I think a fresh measure will have to be introduced in this Council. I may say at once that I did not consider that this Bill is quite enough to meet the situation arising out of the depression and also the very sad condition in which the agriculturists are in this province. But at the same time I consider that this Bill is a move forward and so it ought to be passed at once and any supplementary provision or

5th February 1936], [Mr. T. A. Ramalingam Chettiyar]

additional provisions may be introduced by an amending measure or by a new measure. That is the attitude with which I proceeded with this Bill and ask that the Bill be passed into law. Well, Sir, I said at the outset itself that this Bill if it was to give relief even to the limited extent I hope it will give relief financial backing was necessary. I said that unless there was some financial backing, unless there was some agency coming forward to pay the conciliated amount, there was no chance for the successful working of this measure. I thank the Hon. the Revenue Member and the Hon. the Finance Member for having introduced the necessary amendment in the Agriculturists' Loans Act so that the poorer ryots can be helped. If their debts are cleared through the means of the Debt Conciliation Board, for that the thanks will be due to the Government. That is really a forward measure and in the other provinces they have not come forward to give even this sort of relief. To this extent we are blessed. For the rest the Government have not taken the responsibility to give further relief which the other Local Governments are giving, especially in Bengal and the Punjab. So, Sir, I am glad that the position is better than what it was when I introduced the Bill or when the Bill came before the Council for being referred to the Select Committee; because it has got a financial backing at least with reference to the poorer ryots whose needs can be met by a loan of Rs. 2,000 which the Government have fixed as the maximum now. Sir, as I said yesterday that the Government can go still further and reduce the rate of interest from what they have fixed under the rules framed under the Agriculturists' Loans Act. Government are aware that the position of the agriculturist is very bad indeed. Sir, on account of the depression and the lower prices he has been hard hit. He has been hard hit not in the same way in which others are hard hit. For instance, if we take persons like wage-earners, employees of Government and other persons who get regular money income, their position, if anything, has become better by the prices going down. On the other hand, the prices of agricultural produce have gone down and the net result is the ryot has to pay the debts he borrowed, as represented by the coin of the realm, which at the present moment is worth more than what it was worth at the time he borrowed. Not only that, he has to pay Government tax at the same rate. The labourers and others whom he has to pay, he has to pay as he used to do in the old days. But the income has gone down. The whole burden is now thrown on the poor agriculturist. That has been the result. Such being the case it is up to Government to show the concession that is possible and reduce the rate of interest which they are asking at present. Sir, so I appeal to the Government to reduce the rate of interest as soon as possible. Not only that; if this Bill becomes law, as I said yesterday, the financial backing which is necessary to the Bill, i.e., the relief under the Agriculturists' Loans Act should be available throughout the Presidency. If the Government are going to work it only in some selected areas the benefit of this Bill and the provisions of the Agriculturists' Loans Act won't be available to the whole province.

[Mr. T. A. Ramalingam Chettiyar] [5th February 1936]

So I appeal to Government again that the applications for relief from ryots throughout the province may be received through the ordinary channel and the deputy collectors and the tahsildars may be instructed to give relief as early as possible. In cases where the number of applications is large, the Government may appoint special agency. It is only in that way that the benefit of this Bill would be widely spread. The benefit of the amendment already passed under the Agriculturists' Loans Act can also be widely spread. So I appeal to Government once again that they should consider this matter and make the applications receivable in every district in the province without restricting them only to the areas selected.

Well, Sir, there are some provisions which we could have introduced in the Bill. There is one matter which has been persistently urged, namely, the question of giving power to the boards to pass awards of their own in case there was no agreement. That is a matter on which legislation has been introduced in Bengal and passed in the Punjab. That is a matter which is for the further consideration of Government—whether they ought to bring legislation on the same lines as in the Punjab and the Bengal.

Well, Sir, having said about these provisions, there is one matter which I will have to refer to. I have seen some notices in the press that the Bill has been changed out of recognition by this Council and by the Select Committee by the amendments that have been carried. I beg to submit that is a very much exaggerated view of the matter. There is only one amendment which has been passed and which will affect in any way the working of the Bill as originally proposed. I am very sorry indeed that the amendment has been passed. At the time it was passed I protested. But in spite of my protest it was passed and there was no chance of the Bill being passed except with the amendment. I mean, Sir, the amendment which took away rent as one of the items of debts which have to be taken into consideration under this Bill. Sir, as a result of the amendment that has been carried, as in all zamindari areas the ryots will be indebted to the zamindar for the rent that became payable and as the rent according to the amendment that has been carried is not to come under the scope of this Bill, conciliation won't be possible in the case of the debts of the zamindari ryots. "Now, if the debts of a person are to be conciliated, all his debts will have to be included—the Government themselves have adopted this in the rules issued under the Agriculturists' Loans Act—and now if rent is taken away from the category of debts, it is not possible to conciliate all the debts of the ryot. So, Sir, a very considerable part of the ryots in the zamindari areas will not be able to come under the scope of the Bill. So, the benefit, if any, coming out of this Bill will be denied to the ryots in the zamindaris. To that extent an inroad has been made in the provisions of the Bill by the amendment that has been passed. That is no doubt a very serious matter. But I say that except for that particular amendment, no other amendment has been passed

5th February 1936]

[Mr. T. A. Ramalingam Chettiyar]

either in the Select Committee or in the Council which goes to minimize the effect of the Bill or to change in any way the shape of the Bill.

“ So, Sir, that is the position. I hope the Press will give publicity to my remarks because I have heard in several quarters that a misapprehension or a mistaken impression has been created and people are thinking that the amendments passed have changed the whole aspect of the Bill and that the Council has done a lot of mischief. I shall have to refer to one matter to which the zamindars were parties. For instance, the Hon. the Raja of Bobbili, the Kumararaja of Venkata-giri and others were present at a conference at Tiruttani, and they told the ryots who were gathered there that they were going to support my Bill as well as the Bill of my hon. Friend, Mr. Patnaik, which is going to be taken up presently. They said they agreed with the principle of the Bill if not the wording. With reference to the concessions to the ryots due to the economic depression or for scarcity or things like that, these zamindars and their party promised to give their support. That is what they said in Tiruttani. Only two or three months later, they come here to the Council and introduced this amendment. Thereby the very thing they promised to the ryot was denied to them. They say, ‘ so far as we are concerned, do not bring in any legislation, do not have any conciliation, we want to be free to settle our claims with the ryots. You better have your Bill applied to others than zamindari ryots.’ That is the sort of self-sacrifice I suppose they are capable of, whatever they may say. Well, Sir, after having said all that at Tiruttani, that they should come and press for an amendment of that sort and have it passed in the Council is a thing for which they will have to give an account to their own followers and to the ryots in their own zamindaris. (Sriman M. G. Patnaik Mahasayo: ‘ This is not the time for preaching against zamindars.’) Sir, that is a thing which we will have to take into consideration, namely, the professions of the zamindars and their practice. Well, Sir, as I said, except to that extent, the Bill has not been changed.

“ Now, Sir, I have only got to thank the officers of the Council office as well as the Law (Drafting) Department for the interest they have taken and the speed with which they got the papers prepared at the several stages of this Bill. Especially the Law (Drafting) Department have, within the last two or three days, been able to get through the whole thing and bring out the amendments that were necessary at the third reading. With these words, I move that the Bill be passed into law.”

Mr. K. A. NACHIYAPPA GOUNDER:—“ I beg to second the motion.”

* The Hon. the PRESIDENT:—“ May I point out to the hon. Members that we have got a very long agenda and only a very few hours more before us? If every hon. Member wants to speak with regard to this particular Bill, we shall not be able to make any appreciable progress in the agenda put down for to-day. If any hon. Member is particularly anxious to speak, I can only recommend to him to speak with restraint and take only a few minutes.”

[5th February 1936]

Rao Bahadur Sir A. P. PATRO:—"Sir, may I rise to express the feeling and attitude of this House that they have only one non-official day available while there is so much non-official work to be got through? You said, Sir, the only day the Government have allotted for that work is this day and no more. So, we non-officials will have to rest content with what the Government have allotted to us, and we must make the best use of the very limited time at our disposal."

* The Hon. the PRESIDENT:—"I may also remind the hon. Member that his colleague, the hon. Member from Ganjam, has got his Bill to get through to-day."

Rao Bahadur Sir A. P. PATRO:—"I am only concerned with the present Bill before us, namely, the Debt Conciliation Bill. The Debt Conciliation Bill is not an ordinary measure. It is a very important measure which affects the interests of the ryot population of this province, and I really appreciate the great interest taken and the very sincere effort put forward by the hon. Member from Coimbatore, Mr. Ramalingam Chettiyar, in bringing forward this Bill. Surely it requires a great deal of courage in one to bring up a Bill and to see that the measure which is introduced is altogether changed out of shape when it has been amended up to the third reading. That is the one phenomenon which the hon. Members of this House will observe, and we do not know whether the Bill originally introduced is identifiable with the one which has been passed finally. I do not know whether its change of shape is due to the hand of the Government or whether it is the hon. Member from Coimbatore who invited it. But we cannot realize that it would be to the great advantage of the people of this province as was promised by my hon. Friend, the Mover of the Bill, in the earlier stage. He has made every endeavour to see that the shape and form which he has given to the Bill were retained in the course of the discussions here. I must congratulate him on the work he put forward in the Select Committee for maintaining his position. But the Select Committee thought otherwise, and therefore we see that the Bill is not what it was originally but has assumed a very different form altogether."

"But, Sir, what is the effect of this Bill? Has the object with which this Bill was introduced been served in any way? Debt conciliation—a very alluring expression indeed! But what is it that we are going to provide in the Bill? Nothing. (Laughter.) A Board! What are the powers of the Board? Nothing. (Laughter.) Some debtors may rightly or wrongly combine together with their friends and relations and create a number of debts, which we do not know are real or unreal, and yet for satisfying the rule they may be debts. It may be that 50 per cent of the debtors or creditors may appear before a Board and ask for conciliation. What has the Board to do? Are there any sanctions provided in the Bill for the purpose of giving effect to the decisions of the Board or to the provisions of this Bill or to the recommendations of this House? There being no sanction whatever behind, no power will be vested in the board for carrying out

5th February 1936]

[Sir A. P. Patro]

its decisions. What is the use of making a provision which is only nominal? We do not want such a Bill. The hon. Member from Coimbatore referred to the next Bill that is coming up. Even there, if the ryots have been asking for bread, a stone is given to them. That is what I am going to say later on when I have a chance on that Bill. As for this Bill, a number of creditors have to come together and apply to the board. The board has simply to enquire into the debts and say 'if you do not care to carry out what we are going to decide, all that you are entitled to is to go to a court of law.' The right to the entire amount of the pro-note remains with the creditor, and he has got the right to realize every penny of the debt. Therefore, if any benefit is given to the debtor in the form of reduction of his debt, that decree of the board will be valid only to the extent that the creditor cares to follow it. There is nothing compulsory or obligatory in the Bill to enforce its recommendation or conciliation. It is said that in a conciliation Bill no obligatory provision can be introduced. But compare this with what is done in certain other provinces. The hon. Member from Coimbatore framed his Bill exactly on the lines of the Central Provinces Act. That Act contains very salutary provisions. But the Act we are going to pass is really a different thing. Again, take the provisions of the Debt Conciliation Bill in Bengal which go far to meet the points referred to by the hon. Member from Coimbatore in regard to zamindari tenants. In Bengal, the whole tract is zamindari area and therefore the Bill is made applicable to zamindari tenants mainly. The exemption of zamindari tenants in our Bill is a very great mistake. I know the hon. Mover has endeavoured his best to bring them in, but his effort has been of no avail. Then, what is the effect of this Bill? When an important section of debtors is exempted and the Bill is only confined to the smallest limits possible, what is the use?

"Then, there is another defect in the Bill which will have to be considered at least at a later stage, namely, exemption of mortgage debts. It is very easy for a creditor to obtain a mortgage instead of getting a pro-note. Is this Bill going to give any relief to mortgage debts? No. Therefore, I say that it is not possible to achieve anything by this Bill, whose provisions are all optional, and it will give no benefit to the ryot population in general. But I congratulate the hon. Mover of this Bill that he has introduced it as a first instalment of legislation in this matter, as an introductory piece of legislation. Later on, it can be improved and developed. As occasion arises and if experience shows that the previous provisions are ineffectual, more drastic and obligatory measures should, I think, be introduced. In that way, we are grateful to the hon. Member from Coimbatore for having introduced this Bill as the first instalment of legislation for conciliation of debts."

* The Hon the RAJA OF BOBBILI:—"I did not intend to intervene at this the final stage of the passing of the Bill into law. But in my absence, I am told, my hon. Friend, Mr. Ramalingam Chettiyar, charged me with bad faith with reference to his Bill. Of course, as I

12-15
p.m.

[The Raja of Bobbili] [5th February 1936]

have not heard him, I shall be glad to be corrected if in the remarks I make there is any mistake. He appears to have said that we supported the Bill at the conference at Tiruttani and subsequently I, on behalf of my party, created difficulties for him in its later stages."

Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—"I said, that when an amendment was introduced taking away 'rent' from the definition of 'debt,' the result would be that the ryot would be denied the benefit of the Bill."

The Hon. the RAJA OF BOBBILI:—"In my opinion, that is putting a very wrong interpretation on the effect of that amendment. I may state for the information of this House that when my hon. Friend wanted to move the first reading of the Bill and wanted the support of the party, he gave an undertaking that land revenue and rent would be excluded from the scope of the Bill and he was prepared to even agree to modifications of the provisions in that direction, if found necessary. I may state that the whole object of this Bill is to give relief in the case of debts created by borrowing, and I do not think by any stretch of imagination it could be said that the idea of debt conciliation was to extend the principle to rents also. You cannot say, Sir, that if the ryots do not pay any rents, the landholders should not recover them. That is not at all the purpose of the Bill as I understood it, and I thought it better I made the position clear."

* The Hon. Sir K. V. REDDI NAYUDU:—"Mr. President, Sir, speaking on behalf of the Government, I think I must say that I am pleased very much that we are at the third reading and the Council is soon going to pass this Bill. Unfortunately, speeches on this have taken a personal turn which perhaps could have been avoided on both sides. I am only, however, concerned with the remarks that have been passed against Government, that they were not as helpful as they should have been—a statement for which there is absolutely no foundation. I expected, Sir, that the hon. Member, who moved and introduced this Bill, would have made a more graceful acknowledgment of the help, of the willing help, which the Government were prepared to give to him.

"As the hon. Member has referred to the delays in the earlier stages of this Bill, I have to explain how they arose. The Bill has been acknowledged by the Mover himself as a reproduction, word for word, of the Central Provinces Bill. And the question naturally arose in the mind of Government whether the conditions in our province are such that we could adopt the provisions of that Bill wholesale. I can assure the House that from the beginning to this day, and I hope it will be so hereafter too, Government have endeavoured their best to see that some Bill of this kind is introduced to give relief to the agriculturists as far as it is possible to do; and the earlier delay is due to the circumstance that Government wanted to have some hold, some

5th February 1936] [Sir K. V. Reddi Nayudu]

evidence before them, something on which they can come to this House and ask it to help in the passing of the Bill. And that is why a special officer was appointed. I am thankful to the mover of the Bill for the acknowledgment he has made of the services rendered to Government and to the people of this province, by this special officer. As soon as the special officer's report was received, my hon. Friend acknowledged that the Government were perfectly willing to help him in the course of the passage of this Bill.

"My hon. Friend, Sir, referred to the condition of the ryots. I may assure the House that this Government are as solicitous as any Member of the House to attend to the welfare of the people of this province. They know as much as anybody else, perhaps more than others, what the exact condition of the ryot is at present due to various causes, due to indebtedness, due to depression, due to their own social customs of spending lots of money for various causes and so on. It is not necessary for us to be told what the condition of the agriculturists of this province is. It is in pursuance of that knowledge and it is with a view to help them that this Government have met the hon. Member who brought in this Bill half-way, that they passed the Agriculturists' Loans Act even before this Bill was passed, which can be said to afford real relief to the ryots enabling them to find the sinews of war, if I may use the expression. Government came forward, not because my hon. Friend introduced this Bill or because there is a demand for it. Government knew it, and it must be said to the credit of my hon. Colleagues, the Hon. Sir Charles Souter and the Hon. Mr. Bracken, that they of their own accord, no doubt with the assistance of his friends in the Ministry, suggested the amendment to the Act and came forward to find the money necessary for the purpose. After that, Sir, it does not rest with anybody to say that the Government have been lukewarm in their support or caused delay in the passing of the Bill. To say so is certainly not correct.

"I do not propose, Mr. President, to make any observations as regards the question of rent being excluded from the debts covered by this Act. That question arose in the course of the debates in this House and the answer has been given. The Government could not see how rent can be called a debt which we always understand to mean that which is borrowed and which the creditor wants to get back. Rent is something which is due to the zamindar for the occupation of the land and for having enjoyed the fruits thereof. It is unnecessary to refer to that any more than to the attitude of the zamindars. The zamindars can defend themselves; the Hon. the Chief Minister has replied and I do not propose in the least to refer to that matter.

"The question of mortgages also has been referred to by my hon. Friend, Sir Patro. It would be noticed that mortgages were excluded even in that Bill which was the original of this Bill—I mean the Central Provinces Act; and we found difficulty in including mortgages because it would be a negation of what has been promised by the

[Sir K. V. Reddi Nayudu] [5th February 1936]

Transfer of Property Act, not merely by any statement made by Government but by a solemn statute passed by the legislature, which has given a right to the mortgagees and told them in effect: 'You can lend your money on mortgage and Government will protect you; all that is required is you must register your bonds, then your money is safe so long as the value of the property mortgaged is safe.' Now, after these mortgages have been brought into existence, to say that we can take away those rights given by statute will be considered not only illogical but even immoral. That is the reason why mortgages have been excluded from this Act.

"Sir, having said all that, I must say one word about the Select Committee and Mr. Ramalingam Chettiyar. The credit of introducing this Bill certainly belongs to him; whether at later stages it has been altered or not or whether it has been so altered as to be beyond recognition, are matters of no consequence. That he has introduced the Bill is there. I must also thank the Members of the Select Committee for having gone into it so deeply, for having discussed every point that has arisen in the course of the debates, for having given their best attention to the Bill and put it in the form in which finally it appears to-day. For all practical purposes there might have been some changes made by this House. To this House really belongs the credit of having got this Bill in its present form—to this House which has been so very anxious to see that the Bill is passed, though of course opinions may differ as to the exact value of the different provisions in the Bill. Whatever it may be, something has been done and the House has to be congratulated on the work it has done."

* Diwan Bahadur T. A. RAMALINGAM CHETTIYAR:—"Sir, the Hon. the Chief Minister said that I gave him a promise to exclude rent from this Bill. I never gave any such promise. All that I told them, when he and the Kumara Raja of Venkatagiri asked me about the position of rent in the Bill, was that rent is a debt for which there is a charge and will come under section 15 as originally provided, and that rent will be in the same position as mortgage, and if the landholder is not willing to have his debt conciliated then he would not be barred from bringing a suit. As they wanted that that matter should be made clear, it was made clear in the Select Committee by the introduction of a definition of secured debt. 'Secured debt' was to include not only debt secured by mortgage but also any debt for which there was a charge under a statute or under a deed or under an agreement. That was what I agreed to introduce and it was introduced. I never agreed that rent should be taken away from the ambit of the Bill altogether. I never gave any such promise."

* The Hon. the PRESIDENT:—"The question is that the Bill be passed into law."

The motion was put and carried and the Bill was passed into law.